

Cerner Corporation

2001

Director Compensation

Non-employee directors of the Company receive compensation of \$2,500 for each meeting of the Board of Directors attended and an additional \$500 for each committee meeting attended, plus reimbursement for expenses incurred in connection with attendance at Board of Directors meetings. During 2001, payments, excluding expense reimbursements, were \$10,000 to Dr. Bisbee, \$8,500 to Mr. Herman, \$5,500 to Dr. Goldsmith, \$10,000 to Mr. Danforth, \$6,000 to Mr. Neaves and \$6,000 to Ms. DeParle.

In conjunction with becoming a Director of the Company in March 2001, Dr. Neaves was granted options to purchase 20,000 shares of the Company's Common Stock. These options were issued at a price that was equal to the fair market value of the Company's Common Stock on the date of grant. The options become exercisable in equal amounts each year over a period of five years from the date of the grant, beginning in 2002, assuming Dr. Neaves remains a Director of the Company. The options expire ten years from date of grant.

In conjunction with becoming a Director of the Company in May 2001, Ms. DeParle was granted options to purchase 20,000 shares of the Company's Common Stock. These options were issued at a price that was equal to the fair market value of the Company's Common Stock on the date of grant. The options become exercisable in equal amounts each year over a period of five years from the date of the grant, beginning in 2002, assuming Ms. DeParle remains a Director of the Company. The options expire ten years from date of grant.

2002

Director Compensation

Non-employee directors of the Company receive compensation of \$2,500 for each meeting of the Board of Directors attended and an additional \$500 for each committee meeting attended, plus reimbursement for expenses incurred in connection with attendance at Board of Directors meetings. During 2002, payments, excluding expense reimbursements, were \$14,000 to Dr. Bisbee, \$11,000 to Mr. Herman, \$11,000 to Dr. Goldsmith, \$12,000 to Mr. Danforth, \$14,000 to Mr. Neaves and \$13,500 to Ms. DeParle.

In conjunction with being re-elected to the Board of Directors in May 2002, Mr. Goldsmith and Mr. Danforth were each granted options to purchase 12,000 shares of the Company's Common Stock. These options were issued at a price that was equal to the fair market value of the Company's Common Stock on the date of grant. The options become exercisable in equal amounts each year over a period of three years from the date of the grant, beginning in 2003, assuming each individual remains a Director of the Company. The options expire ten years from date of grant.

2003

Director Compensation

During 2003, non-employee Directors of the Company received compensation of \$2,500 for each meeting of the Board of Directors attended and an additional \$500 for each committee meeting attended, plus reimbursement for expenses incurred in connection with attendance at Board of Directors meetings. During 2003, payments, excluding expense reimbursements, were \$20,000 to Dr. Bisbee, \$10,500 to Mr. Herman, \$13,000 to Dr. Goldsmith, \$13,000 to Mr. Danforth, \$20,000 to Mr. Neaves and \$15,500 to Ms. DeParle.

As of May 2004, non-employee Directors of the Company will receive a \$25,000 annual retainer and \$2,500 for each Board meeting attended. The Chairman of the Audit Committee will receive \$2,000 for each Audit Committee meeting attended as Chairman, the Chairman of the Compensation Committee will receive \$1,600 for each Compensation Committee meeting attended as Chairman, and the Chairman of the Nominating, Governance & Public Policy Committee will receive \$1,200 for each such Committee meeting he or she attends as Chairman. Each Committee member will receive \$1,000 for each Committee meeting attended. All Chairman and Committee member fees will be paid at fifty percent (50%) of such rates for attendance at telephonic Committee meetings. In conjunction with being re-elected to the Board of Directors in May 2003, Clifford W. Illig and William B. Neaves, Ph.D. were each granted options to purchase 12,000 shares of the Company's Common Stock. These options were issued at a price that was equal to the fair market value of the Company's Common Stock on the date of grant. The options become exercisable in equal amounts each year over a period of three years from the date of the grant, beginning in 2004, assuming each individual remains a Director of the Company. The options expire ten years from date of grant. Commencing in May of 2004, non-employee Directors will receive a grant of 2,500 shares of restricted stock of the Company for each year such non-employee Director serves as a Director of the Company. The restricted stock grant will vest at the end of the completion of the one year of Board service for which it was granted. Nominees that are elected or appointed to the Board for the first time will also receive an additional grant of 2,500 shares of restricted stock that will vest in equal amounts each year over a three year term, provided the individual remains a Director of the Company. The grant of restricted stock commencing in May of 2004 will be in lieu of stock option grants that have historically been part of the Company's non-employee Director compensation.

2004

Director Compensation

During 2004, non-employee Directors of the Company received a \$25,000 annual cash retainer and \$2,500 for each Board meeting attended, plus reimbursement for expenses incurred in connection with attendance at Board meetings. Directors in attendance at the special telephonic meeting in 2004 of the Board of Directors received \$500 for such meeting. The Chairman of the Audit Committee received \$2,000 for each Audit Committee meeting attended as Chairman, the Chairman of the Compensation Committee received \$1,600 for each Compensation Committee meeting attended as Chairman, and the Chairman of the Nominating, Governance & Public Policy Committee received \$1,200 for each such Committee meeting he attended as Chairman. Each Committee member received \$1,000 for each Committee meeting attended. All Chairman and Committee member fees were paid at fifty percent (50%) of such rates for attendance at telephonic Committee meetings. During 2004, payments, excluding expense reimbursements, were \$44,750 to Dr. Bisbee, \$13,250 to Mr. Danforth, \$36,250 to Ms. DeParle, \$30,750 to Dr. Goldsmith, \$31,350 to Mr. Herman and \$40,750 to Mr. Neaves.

Commencing in 2004, each non-employee Director that is elected or re-elected to the Board of Directors will receive a grant of 2,500 shares of restricted stock of the Company for each year of service on the Board. In conjunction with being re-elected to the Board of Directors in May 2004, Gerald E. Bisbee, Jr., Ph.D., Nancy-Ann DeParle and Michael E. Herman were each granted 2,500 shares of restricted stock of the Company; and additional grants of 2,500 shares of restricted stock will be granted, upon similar terms, for each subsequent year during the term of office that such non-employee Director serves as a Director of the Company. The restricted stock grants vest at the end of the completion of the one year of Board service for which it was granted. Upon initial appointment or election to the Board, new Board members also receive an additional grant of 2,500 shares of restricted stock that will vest in equal amounts each year over a three year term, provided the individual remains a Director of the Company.

2005

Director Compensation

During 2005, non-employee Directors of the Company received a \$25,000 annual cash retainer and \$2,500 for each Board meeting attended, plus reimbursement for expenses incurred in connection with attendance at Board meetings. The Chairman of the Audit Committee received \$2,000 for each Audit Committee meeting attended as Chairman, the Chairman of the Compensation Committee received \$1,600 for each Compensation Committee meeting attended as Chairman, and the Chairman of the Nominating, Governance & Public Policy Committee received \$1,200 for each such Committee meeting he attended as Chairman. Each Committee member received \$1,000 for each Committee meeting attended. All Chairman and Committee member fees were paid at fifty percent (50%) of such rates for attendance at telephonic Committee meetings. During 2005, cash payments, excluding expense reimbursements, were \$60,000 to Dr. Bisbee, \$46,500 to Ms. DeParle, \$9,750 to Jeff C. Goldsmith (who was a Director for the Company through May 27, 2005), \$41,400 to Mr. Herman, \$50,100 to Mr. Neaves and \$32,250 to Mr. Zollars. Mr. Danforth was entitled to receive \$37,000 cash compensation in 2005 based on the above described annual cash retainer and Board and Committee meetings fees; however, in lieu of cash, Mr. Danforth is compensated in the form of usage of planes owned by or under contract to the Company.

Each non-employee Director that is appointed or elected to the Board on or after May 2004, receives a grant of 2,500 shares of restricted stock upon such initial appointment/election that will vest in equal amounts each year over a three year term, provided the individual remains a Director of the Company. John C. Danforth and William D. Zollars each received their initial appointment/election grant of 2,500 shares of restricted stock in April 2005 and June 2005, respectively. These grants will vest pro rata over a three year period as set forth above. Each non-employee Director that is elected or re-elected to the Board on or after May 2004 also receives a grant of 2,500 shares of restricted stock of the Company for each year of service on the Board. In June 2005, pursuant to this Board compensation program, 2,500 shares of restricted stock of the Company were granted to each of Mr. Bisbee, Mr. Danforth, Ms. DeParle, Mr. Herman and Mr. Zollars. The restricted stock grants will vest in May 2006 at the completion of the one year of Board services for which they were granted.

2006

Director Compensation

During 2006, non-employee Directors of the Company received a \$25,000 annual cash retainer and \$2,500 for each Board meeting attended, plus reimbursement for expenses incurred in connection with attendance at Board meetings. The Chairperson of the Audit Committee received \$2,000 for each Audit Committee meeting attended as Chairperson, the Chairperson of the Compensation Committee received \$1,600 for each Compensation Committee meeting attended as Chairperson and the Chairperson of the Nominating, Governance & Public Policy Committee received \$1,200 for each such Committee meeting he attended as Chairperson. Each Committee member received \$1,000 for each Committee meeting attended. All Director, Chairperson and Committee member fees were paid at 50% of such rates for attendance at telephonic Board and Committee meetings.

Each non-employee Director that was appointed or elected to the Board on or after May 2004, but prior to July 2006, received a grant of 2,500 shares of restricted stock upon such initial appointment/election that vested in equal amounts each year over a three year term, provided the individual remained a Director of the Company. As of July 2006, the initial equity grant value to be granted to newly elected non-employee Directors has been set at the number of shares with an approximate value of \$100,000 at the time of such grant, in order to avoid unintended compensation fluctuations based on stock price fluctuations, stock-splits, combinations or other changes in the number or type of the Company's shares outstanding. There were no Directors eligible to receive an initial appointment/election grant of shares of restricted stock in 2006.

Each non-employee Director that was elected or re-elected to the Board on or after May 2004, but prior to July 2006, also received a grant of 2,500 shares of restricted stock of the Company for each year of

service on the Board. Beginning in July 2006, the equity component of the Board compensation package is based on a target dollar amount, not a fixed share amount (in order to avoid unintended compensation fluctuations based on stock price fluctuations, stock-splits, combination or other changes in the number or type of the Company's shares outstanding). The target for the total annual Board compensation package for the May 2006 to May 2007 Board service period was set at \$175,000 per year (with the actual amount varying from Board member to Board member depending on meeting fees received and the actual value of restricted shares when issued), which target was set to include an equity compensation component of approximately \$129,000. In May and July 2006, pursuant to these Board equity compensation programs, 2,500 and 1,000 shares of restricted stock of the Company were granted to each of Dr. Bisbee, Mr. Danforth, Ms. DeParle, Mr. Herman, Dr. Neaves and Mr. Zollars, respectively. These restricted stock grants will vest in May 2007 at the completion of the one year of Board services for which they were granted.

The following table contains information regarding the compensation earned by non-employee Directors during 2006.

Name	Change in Pension Value and Nonqualified Deferred Compensation Earnings						Total (\$)
	Fees Earned or Paid in Cash (\$)	Stock Awards (\$ (1))	Option Awards (\$ (2))	Non-Equity Incentive Plan Compensation (\$)	Deferred Compensation Earnings (\$)	All Other Compensation (\$ (3))	
Gerald E. Bisbee, Jr., Ph.D.	55,250	134,963	—	—	—	—	190,213
John C. Danforth	—	178,538	—	—	—	37,024	215,562
Nancy-Ann DeParle	41,750	134,963	4,376	—	—	—	181,089
Michael E. Herman	36,950	134,963	—	—	—	—	171,913
William B. Neaves, Ph.D.	48,150	69,535	11,911	—	—	—	129,596
William D. Zollars	40,250	200,384	—	—	—	—	240,634

(1) These amounts reflect the dollar amount recognized for financial statement reporting purposes for the fiscal year ended December 30, 2006, in accordance with FAS 123R of restricted stock awards and thus may include amounts from awards granted in and prior to 2006. As of December 30, 2006, each Director had the following number of restricted stock awards outstanding: Gerald E. Bisbee, 3,500; John C. Danforth, 6,834; Nancy-Ann DeParle, 3,500; Michael E. Herman, 3,500; William B. Neaves, 3,500; and, William D. Zollars, 6,834.

(2) These amounts reflect the dollar amount recognized for financial statement reporting purposes for the fiscal year ended December 30, 2006, in accordance with FAS 123R of stock options granted prior to 2006. Refer to the Notes to the Consolidated Financial Statements included in the Annual Report on Form 10-K filed on February 28, 2007 for the relevant assumptions used to determine the valuation of our option awards. As of December 30, 2006, each Director had the following number of stock options outstanding: Gerald E. Bisbee, 32,000; John C. Danforth, 0; Nancy-Ann DeParle, 13,300; Michael E. Herman, 71,000; William B. Neaves, 48,000; and, William D. Zollars, 0.

(3) During 2006, Mr. Danforth was entitled to receive \$40,250 cash compensation based on the above

described annual cash retainer and Board and Committee meetings fees; however, in lieu of cash, Mr. Danforth is compensated in the form of personal use of planes owned by or under contract to the Company, in accordance with our policies on personal use of such aircraft. The amount reported represents the value of Mr. Danforth's personal use of the Company aircraft during 2006.

2007

Director Compensation

From January 2007 through May 2007, non-employee Directors of the Company received an annual cash retainer of \$25,000 paid in quarterly installments at each Board meeting and \$2,500 for each Board meeting attended, plus reimbursement for expenses incurred in connection with attendance at Board meetings. During this same time period, the Chairperson of the Audit Committee received \$2,000 for each Audit Committee meeting attended as Chairperson, the Chairperson of the Compensation Committee received \$1,600 for each Compensation Committee meeting attended as Chairperson and the Chairperson of the Nominating, Governance & Public Policy Committee received \$1,200 for each such Committee meeting attended as Chairperson. Additionally, each Committee member received \$1,000 for each Committee meeting attended during this time period. All Director, Chairperson and Committee member fees were paid at 50% of such rates for attendance at telephonic Board and Committee meetings during this time period.

Effective and commencing June 2007, non-employee Directors received an annual cash retainer of \$63,500. In addition, each Committee Chairperson received an additional annual cash retainer of varying amounts as follows: \$19,500 for the Audit Chairperson, \$8,250 for the Compensation Chairperson and \$5,000 for the Nominating, Governance and Public Policy Chairperson. Additionally, each member of the Audit Committee (not including the Chairperson) received an additional annual cash retainer of \$7,500. Effective June 2007, the Directors are no longer paid meeting fees. All cash retainers are paid in quarterly installments at each Board meeting; therefore, two installments were paid during 2007 based on this compensation scheme which became effective in June 2007. During 2007, the sole exception to the payments discussed above was with respect to Mr. Danforth who was entitled to receive \$51,250 cash compensation based on the above described annual cash retainer and Board and Committee meetings fees; however, in lieu of cash, Mr. Danforth is compensated in the form of personal use of planes owned by or under contract to the Company, in accordance with our policies on personal use of such aircraft.

Each non-employee Director that was appointed or elected to the Board on or after May 2004, but prior to July 2006, received a grant of 2,500 shares of restricted stock upon such initial appointment/election that vested in equal amounts each year over a three-year term, provided the individual remained a Director of the Company. From July 2006 to May 2007, the initial equity grant value granted to newly-elected non-employee Directors was set at the number of shares with an approximate fair market value of \$100,000 at the time of such grant, in order to avoid unintended compensation fluctuations based on stock price fluctuations, stock-splits, combinations or other changes in the number or type of the Company's shares outstanding. As of June 2007, the initial equity grant value was reset to equal the annual grant value as discussed below, with a ratable vesting over three years. There were no Directors eligible to receive an initial appointment/election grant of shares of restricted stock in 2007.

Each non-employee Director that was elected or re-elected to the Board on or after May 2004, but prior to July 2006, also received a grant of 2,500 shares of restricted stock of the Company for each year of service on the Board. Beginning in July 2006, the equity component of the Board compensation package is based on a target dollar amount, not a fixed share amount (in order to avoid unintended compensation fluctuations based on stock price fluctuations, stock-splits, combination or other changes in the number or type of the Company's shares outstanding). The target for the total annual Board compensation package for the May 2007 to May 2008 Board service period was set at \$200,000 per year (with the actual amount varying from Board member to Board member depending on the committees they are members or chair of and the actual value of restricted shares when issued), which target was set to include an equity compensation component of approximately \$129,000. In May 2007, pursuant to these Board equity

compensation programs, 2,300 shares of restricted stock of the Company were granted to each of Dr. Bisbee,

Mr. Danforth, Ms. DeParle, Mr. Herman, Dr. Neaves and Mr. Zollars, respectively. These restricted stock grants will vest in May 2008 at the completion of the one year of Board services for which they were granted.

In March 2007, the Board approved Stock Ownership Guidelines that apply to the Company's executive officers and the Board of Directors. The guidelines are further discussed in the Compensation Discussion and Analysis section. As of January 1, 2008, at the annual measurement date, all non-employee Directors were compliant with these guidelines.

The following table contains information regarding the compensation earned by non-employee Directors during 2007.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$ (1))	Option Awards (\$ (2))	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred	All Other Compensa- tion (\$ (3))	Total (\$)
					Compensa- tion Earnings (\$)		
Gerald E. Bisbee, Jr., Ph.D.	69,000	137,551	—	—	—	—	206,551
John C. Danforth	—	154,948	—	—	—	41,406	196,354
Nancy-Ann DeParle	57,500	137,551	—	—	—	—	195,051
Michael E. Herman	54,975	137,551	—	—	—	—	192,526
William B. Neaves, Ph.D.	61,700	137,551	—	—	—	—	199,251
William D. Zollars	57,000	165,912	—	—	—	—	222,912

(1) These amounts reflect the dollar amount recognized for financial statement reporting purposes for the fiscal year ended December 29, 2007, in accordance with FAS 123R of restricted stock awards and thus may include amounts from awards granted in and prior to 2007. As of December 29, 2007, each Director had the following number of restricted stock awards outstanding: Gerald E. Bisbee, 2,300; John C. Danforth, 3,968; Nancy-Ann DeParle, 2,300; Michael E. Herman, 2,300; William B. Neaves, 2,300; and, William D. Zollars, 3,968.

(2) As of December 29, 2007, each Director had the following number of stock options outstanding: Gerald E. Bisbee, 32,000; John C. Danforth, 0; Nancy-Ann DeParle, 13,300; Michael E. Herman, 47,000; William B. Neaves, 40,000; and, William D. Zollars, 0.

(3) During 2007, Mr. Danforth was entitled to receive \$51,250 cash compensation based on the above described annual cash retainer and Board and Committee meetings fees; however, in lieu of cash, Mr. Danforth is compensated in the form of personal use of planes owned by or under contract to the Company, in accordance with our policies on personal use of such aircraft. The amount reported represents the value of Mr. Danforth's personal use of the Company aircraft during 2007.

2008

Director Compensation

For the 2008-2009 Board year (May 2008 – May 2009), non-employee Directors received an annual cash retainer of \$63,500. In addition, each Committee Chairperson received an additional annual cash retainer of varying amounts as follows: \$22,500 for the Audit Chairperson, \$12,500 for the Compensation Chairperson and \$5,000 for the Nominating, Governance and Public Policy Chairperson. Each member of the Audit Committee (excluding the Chairperson) received an additional annual cash retainer of \$10,000. The Directors are not paid meeting fees. All cash retainers as disclosed above are paid in quarterly installments at each Board meeting. During 2008, the sole exception to the payments discussed above was with respect to Mr. Danforth who was entitled to receive \$63,500 cash compensation based on the above described annual cash retainer; however, in lieu of cash, Mr. Danforth is compensated in the form of personal use of planes owned by or under contract to the Company, in accordance with our policies on personal use of such aircraft.

Each non-employee Director also receives a grant of restricted stock of the Company for each year of service on the Board. The equity component of the Board compensation package is based on a target dollar amount, not a fixed share amount (in order to avoid unintended compensation fluctuations based on stock price fluctuations, stock-splits, combination or other changes in the number or type of the Company's shares outstanding). The target for the equity compensation component of the total annual Board compensation package for the May 2008 to May 2009 Board service period was set at approximately \$150,000. In May 2008, pursuant to the Board equity compensation program, 3,300 shares of restricted stock of the Company were granted to each of the then-current directors: Dr. Bisbee, Mr. Danforth, Ms. DeParle, Mr. Herman, Dr. Neaves and Mr. Zollars, respectively. These restricted stock grants will vest in May 2009 at the completion of the one year of Board services for which they were granted, other than Ms. DeParle's whose restricted stock grant was forfeited when she resigned from the Board in March 2009 as disclosed above.

As of June 2007, each non-employee Director that is newly appointed or elected to the Board receives an initial grant of shares of restricted stock of the Company with a value equal to the annual equity grant value as discussed above, with a ratable vesting over three years. There were no Directors eligible to receive an initial appointment/election grant of shares of restricted stock in 2008.

In March 2007, the Board approved Stock Ownership Guidelines that apply to the Company's executive officers and the Board of Directors. The guidelines are further discussed in the Compensation Discussion and Analysis section. As of January 1, 2009, at the annual measurement date, all non-employee Directors were compliant with these guidelines.

The following table contains information regarding the compensation earned by non-employee Directors during 2008.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$ (1))	Option Awards (\$ (2))	Non-Equity Incentive Plan Compensation (\$)	Change in	All Other Compensa- tion (\$)	Total (\$)
					Pension Value and Nonqualified Deferred Compensa- tion Earnings (\$)		
Gerald E. Bisbee, Jr., Ph.D.	84,500	143,241	—	—	—	—	227,741
John C.	63,500	144,524	—	—	—	—	208,024

Danforth

Nancy-Ann DeParle	72,250	143,241	—	—	—	—	215,491
Michael E. Herman	73,875	143,241	—	—	—	—	217,116
William B. Neaves, Ph.D.	77,250	143,241	—	—	—	—	220,491
William D. Zollars	72,250	150,520	—	—	—	—	222,770

- (1) These amounts reflect the dollar amount recognized for financial statement reporting purposes for the fiscal year ended January 3, 2009, in accordance with FAS 123R of restricted stock awards and thus may include amounts from awards granted in and prior to 2008. As of January 3, 2009, each then-current Director had the following number of restricted stock awards outstanding: Gerald E. Bisbee, 3,300; John C. Danforth, 3,300; Nancy-Ann DeParle, 3,300; Michael E. Herman, 3,300; William B. Neaves, 3,300; and, William D. Zollars, 3,300.
- (2) As of January 3, 2009, each Director had the following number of stock options outstanding: Gerald E. Bisbee, 32,000; John C. Danforth, 0; Nancy-Ann DeParle, 13,300; Michael E. Herman, 47,000; William B. Neaves, 40,000; and, William D. Zollars, 0.